



The Globalising Economy
New Risks - New Challenges -
New Alliances

TONY ADDY



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FOREWORD

by Sam Kobia

Immediately after the Canberra Assembly, the WCC central committee recommended that a study of the economic issues facing the churches in the present *global* context should be initiated. The result was the study document 'Christian Faith and the World Economy Today' which was approved and commended by the central committee for study in the churches. The report pointed to the trend towards economic globalisation as an unmistakable fact of our time, a seemingly irreversible trend. Many specific issues for ecumenical reflection and action were identified, including new environmental threats, the shocking extent of absolute poverty, the global debt crisis, the growth of unemployment and underemployment and the failure of the end of the cold war to result in a reduction of militarisation and armed conflict. Meanwhile global financial systems and communication media were seen to play a key and usually hidden role in determining the possibilities for sustainable community life and shaping people's thinking and imagination.

Clearly, globalisation would be an increasingly dominant issue and challenge to the ecumenical movement. Following a major discussion in the Unit III Commission in 1995, the council has taken a number of important initiatives. In the present context the role of social movements and civil society in general are clearly significant in responding to globalisation, both in resistance and in exploring new alternatives. Also spirituality and the sense of personal identity are important factors in reactions, positive and negative, to globalisation. A process of network building on the theme of social movements, globalisation and exclusion has been one important continuing ecumenical response. As part of this process, a consultation of 'Faith Communities and Social Movements Together in the Mission for Justice' was organised in Holland in November 1997. This report is the result of a second global consultation organised in collaboration with The Work and Economy Network in the European Churches. A third consultation was organised in July 1998 on the theme 'Globalisation, Ethics and the Oikoumene'

The consultation in Malaga brought together a complex and diverse mix of people engaged with the issue of globalisation, ranging from representatives of local social movements and faith communities, ecumenical organisations and resource centres, universities and research institutes. A commitment to innovative ways of working, as befits the theme, was central to the dynamics of the consultation. The basic papers were made available on line ahead of the consultation and each day's proceedings were also put on the consultation web site so that many people who could not participate directly could read and react to the findings. During the central days of the consultation more than 1500 people per day visited the conference web pages. This material was also incorporated in a professionally produced daily newspaper that compiled into an illustrated conference report that participants could take home with them. Thus the consultation attempted to use some of the technologies that are at the heart of globalisation processes in its own organisation. This experience, together with other recent work on socio-economic issues such as the Multilateral Agreement on Investment has provided valuable learning about new styles of work in the ecumenical movement.

The involvement of ecumenical groups and social movements in Andalucia, a region on the periphery of Europe was essential to the dynamics of the consultation. The region clearly manifests some of the negative effects of globalisation, including rural poverty, the decline of traditional agriculture and artisanal fishing, land speculation and increase in inequality because of tourism. Andalucia is also subject to the impact of the growth of the international criminal economy - itself increasingly globalised and of the ever more desperate attempts of African people to emigrate to Europe. This starting point in the local context was integral to the process of the consultation in which local academics, researchers, representatives of social movements and faith communities were directly involved. The visiting programme provided a common context through which participants could share their stories, reflections and analysis.

Globalisation is a multifaceted phenomenon and there is a danger of simply blaming it for all the negative trends in the current context but the consultation aimed to take a comprehensive view. Through exchanging experience on concrete issues such as labour, agriculture, industry, migration and tourism and developing theological reflection, it was possible to move through a process of discernment, leading to alternatives. The final phase of the consultation took a thematic approach, dealing with issues such as the financial system, land, trade and labour. It was able to benefit from following immediately after a workshop on the debt crisis that was also organised in Malaga by the WCC.

The dynamic in the consultation process was a movement beyond the rhetoric of denunciation towards the search for new initiatives and alternatives, whilst at the same time developing strategies to resist the effects of ideologically driven competitive globalisation. This book brings together the fruits of the consultation so that they can be shared more widely. However, one of the most important results of the consultation, which derived from the working style, is the commitment of the participants to continue networking together and sharing the process of exchange, research, learning and action that marked the event. The WCC Assembly in Harare will also be invited to continue the exploration, continue unmasking the false vision offered in the name of competitive globalisation and promote new strategies of co-operative globalisation locally, nationally and globally. Out of the process of deliberation and reflection a new mandate for the council's engagement with these issues will be forged. The Malaga consultation uncovered the enormous energy, creativity and potential for continuing collaboration. Building on this commitment and searching for new styles of work to support and increase it is a challenge with which delegates will have to deal if the ecumenical movement is to be faithful and authentic in its responses.

1. INTRODUCTION

'Globalisation' is a word that has assumed almost magical explanatory power - like an aerosol spray the word covers all realities with its tragic consequences or its promise of a better tomorrow. In the period since the last assembly of the WCC it has rapidly become the defining word of the era. 'Globalisation' is the intractable fate of the world - a process that affects all people and communities - directly or indirectly, positively or negatively. At its most basic level it looks as though globalisation refers to the growth of global interdependence, the growth of ever more dense and complex linkages between people, communities and societies. These linkages pervade the economic, political and cultural spheres. It is a multidimensional concept with warm overtones for some. It promises mobility and the free exchange of information, experience - the chance to create new solidarities. It promises to take over from the previous projects of international solidarity by offering new possibilities for communication. Yet the linkages which the present globalisation project promotes are neither equal, nor are they of equal benefit all who participate or who are forced to participate.

Globalisation as an economic process is fraught with adverse consequences - it brings new risks specifically for those who are less powerful. It threatens exclusion and increasing poverty, unemployment and loss of economic rights, environmental degradation and expanding violence. It fuels national, ethnic and religious chauvinism among groups caught up in its turbulent advance. Globalisation is a contradictory process, dividing people as much as it unites them - or rather it divides as it unites, creating continuous disruption and uncertainty. An integral part of the present globalisation project is progressive spatial segregation, separation, exclusion. The human consequences of this are severe for those people and communities which are not economically relevant to the process. They are literally 'switched off' - no longer even viewed as a reservoir of potentially useful labour - the so-called reserve army that now may never be called upon.

It is out of a concern for the excluded people and communities so adversely affected by globalisation that the Work and Economy Network in the European Churches decided to organise a consultation on the theme of the risks and challenges of the globalising economy. In part there was an urgent need to clarify thinking and deepen analysis. However, there was also the hunch that responses to the challenges would need the development of new patterns of thought, of theological reflection. Furthermore, the traditional political organisations and social movements seemed also to be in a crisis caused by globalisation. Traditional symbol systems and faith communities have lost their ability to handle the new situation. Globalisation is a profound challenge to the production of knowledge, meaning and spirituality, to the traditional operations of the churches. On the other hand it is calling forth new social and religious movements with both positive and negative characteristics.

If the consultation was to deal adequately with the theme it needed to have a wide diversity of participants. However, involving participants from all the world regions was also imperative in order to seek strategies that could be linked in alliances across the regions. Therefore, the network was very fortunate to have the full support of the WCC in enabling the consultation to be truly 'global' in its extent. During the week we spent together, it was remarkable how many issues the participants held in common, but it was also necessary to recognise and give space for differences arising from regional or other specific identities and histories. The danger in such a large gathering is that we also fall into the trap of integrating our reflection and action

planning on a 'high' level thereby excluding important differences that might give a clue to creative strategies.

Because the participants were invited through regional and other network contacts, the steering group was able to organise the consultation in a decentralised and participative style. Almost all the nearly one hundred participants had a role in the processes of the working groups and fora that handled the different elements of the consultation. On top of this, we tried to use the new communication technologies to involve a wider constituency in the process. Here we should acknowledge the skilled contribution of Glocal, the developing communication platform for faith communities and social movements. In the follow up action the use of new technologies, integrated with more traditional forms of communication will be vital.

The consultation worked in five groups related to the pressing concerns of the region in which we met. The local context provided a very significant set of experiences that enabled participants to exchange information about their concrete engagements with each other and with the people of the region and to deepen their analysis and reflection. The local context and the collaborative approach 'forced those attending to take responsibility for and get involved in the issues surrounding where we were meeting'. The second main element of the consultation was focused in six fora organised thematically and was geared especially to the deepening of analysis and reflection and the development of strategic responses. It is important to emphasise that the steering group was not looking for a declaration or manifesto, but rather to dynamise a process of building alternatives and resistance that the participants could carry forward. Such strategies also need collaboration with other networks and movements in processes of research, exchange, learning and common action. We did not aim to call others to their responsibilities, rather to develop our own actions and to engage others with us. The consultation therefore had some clear recommendations to various organisations, including the WCC as key partners in a common endeavour.

Alongside the small group processes and the worship, there were specific plenary presentations on the overarching themes:

The Economy Under Globalisation: Visions of the Future
Theological Challenges and Opportunities
New Alliances - Perspectives for the Future

It was also possible for participants to organise their own events in the daily 'open space'. This allowed for hot issues to be analysed and debated - such as the so-called Asian Financial Crisis, attention to be given to different activities related to the conference theme such as the World Alliance of Reformed Churches Processus Confessionis on economics as a matter of faith and for more attention to be given to specific perspectives and interests such as racism and globalisation.

The consultation proved to be a ground breaking event in bringing together a diverse group of engaged people and, through a participative process, to revitalise ecumenical thinking and practice in the field of economic justice. The recommendations lay out a very clear agenda for action and the feedback after the event very strongly endorsed the consultation's style of working. As one participant put it, 'the consultation gave the WCC a strong mandate to continue its work on social movements and economic issues.....one of its primary tasks is to nurture and support networks, encourage information sharing and the integration of issues.

Globalisation is a challenge to traditional issue based approaches within the churches and the ecumenical movement. The challenge to the WCC is also to play a role in making these networking and alliance building initiatives visible on a global level and facilitating interaction with other institutions.'

This report offers some of the key findings of the consultation for a wider audience. The richness and diversity of the reflections cannot possibly be captured in this format. The participants in the Malaga consultation would invite you to join with them in a common process of networking, developing the research, learning and action which is needed to address the dehumanising project of competitive globalisation. This is a challenge to the ecumenical movement in each place, working for sustainable communities and for an economic and political order which underpins such community building. In an era when globalisation is the dominant tendency, the contribution of the ecumenical movement in its different forms is vitally needed. As one participant in Malaga put it, 'the Christian faith was born at a time when an empire had global ambitions and Christians built a counter movement from the periphery. Once again, as at other times in world history, we face a 'global' project which this time is a sharp reminder that we are part of a global church. The next period will be a decisive test of our ecumenical commitment to those excluded from the global economy.' To tackle such a multidimensional issue as globalisation needs a wide range of actors and a flexible networked approach. The global economy has concentrated power but it has no identifiable 'centre'. It relies on networks and interaction. In our responses we have to be equally creative, agile and nuanced.

2. THE ECONOMY UNDER GLOBALISATION - NEW VISIONS FOR THE FUTURE

Globalisation can be defined in many ways, but fundamental to the globalisation of the economy has been the increasing deregulation of national financial markets and the internationalisation of flows of capital. This process has been aided and abetted by the increasing capacities for information processing and communication which allows financial markets world wide to operate as a unit in real time. The origin of the present globalisation project in the heart of the financial system has actually been decisive in shaping the total impact of globalisation on people and communities in every region. Whilst globalisation is an ambiguous term, because it conjures up visions of world-wide justice solidarity and peace, we need to be clear that we are in the grip of a process of **competitive globalisation**.

The terms for global economic integration are set by very narrow parameters linked to financial criteria. But more than that, the presently deregulated system carries a far greater volume of speculative finance than would be needed to finance trade and productive investment. This makes most national economies dependent on the subjective expectations of capital markets. Footloose capital now tests every economic institution, every country, in terms of competitiveness and the achievement of high rates of return in the short run. Furthermore, it also the case that the largest flows are between the so-called triad regions - Europe (mainly western), North America and Japan and the newly industrialised countries of south-east Asia. The bulk of world trade is also between these three regions. In fact in recent years the flow of investment capital to the 'less-developed' countries has almost ground to a cruel halt. As far as financial globalisation is concerned many countries are effectively de-linked, except for debt repayment!

The present process of competitive globalisation has been supported by a doctrinaire neo-liberal and neo-classical understanding of the functioning of the economy - the ideology of la pensée unique, which holds that there are no alternatives. In essence the protagonists of this view hold that any discussion of alternatives is meaningless and the sooner all economies adapt to neo-liberal competitive globalisation the better. But this is only the self-evidently the case if you are taking a reductionist view of the person and human life, of the world. It is a view which is ideologically grounded in chosen values related to acquisitive individualism and aggressive market related competition. The result is what Bob Goudzwaard referred to as the global tunnel economy, in which the erosion of social, cultural and environmental stocks is scarcely noticed. There is an overriding trust in the guiding role of the market mechanism. Hence at the heart of the globalisation project there is a theological and spiritual challenge.

The present project of competitive globalisation has exacerbated all the major problems of our time - poverty and inequality, indebtedness, environmental degradation and social disintegration. Moreover it is resulting in a deliberate exclusion of the poor and the weak. The increased volatility of currency markets and the recent shock experience of the Asian financial markets are all signs of the outworking of this model of globalisation. The hearing on the Asian crisis at the Malaga consultation vividly portrayed the human consequences of the crisis, the roots of which clearly lay with deregulated financial markets. However, it is important to note that the impacts of competitive globalisation are the same in every region. It is increasingly clear that in the countries of the so-called north, it is leading to exclusion and poverty and in the south, there are also groups who benefit from these processes. Therefore the traditional split between North and South is misleading. The main split is between the **global north** - those actors in every region who interact within the decision making structures of the global economy

at the level of the state, transnational corporations, financial institutions and mass media networks. Alongside this, there are those who more or less gain from the system but remain dependent on the global space, involved at higher levels in small and medium enterprises or workers in main industrial sectors or agri-business, middle class consumers etc. Nevertheless, as beneficiaries, their interests remain insecure and potentially they could become victims of intense competition. On the other hand, we can talk of the **global south** - those who are largely excluded from the global economy, or serve it as precarious or informal labour or who work in subsistence economies. The global south includes all those who are forced to migrate to survive economically and the many minority groups excluded from full participation in the economy.

It is important to bear in mind that markets always are embedded in a cultural and social context, that they are always in some way regulated. The question is always how and to whose benefit are they to be regulated. In the wake of the Asian crisis there is an emerging view that there is a need for more regulation of financial markets.¹ The consensus of economic policy makers, in the last decade at least, has been based on the neglect of the fundamental issues which cannot be left to markets and which require state intervention and international regulation - precisely the issues deliberately excluded by neo-liberal ideologues.² Moreover it is clear that many actors in what we might call the 'real economy' as opposed to the 'virtual economy' of the international financial system also do not accept this reductionist view. The scope for alliance building might therefore be wider than we presently imagine.

Clearly, the overwhelming consensus at Malaga was the rejection of this form of competitive globalisation which, with its leading ideas, has disastrous human and environmental consequences. More importantly, in terms of strategy it also reduces the power of states to regulate economic actors on behalf of wider interests, erodes sovereignty and raises money and the capitalist market to the status of a god. However it is important not to reject globalisation in the abstract, but rather this form of globalisation, based on a specific ideology and specific values. But alongside the rejection, we have to recognise that comprehensive alternatives are not in place. Therefore we have to sustain and articulate hope in the midst of sufferings and take a constructive approach in terms of paradigms and alternatives.

The consultation identified a number of opportunities for workers and excluded people inherent in the process of globalisation. Technical innovation in the field of robotics and informatics can save energy and reduce labour, but the consequent savings are not equally shared. Rather they are concentrated as part of the drive to become ever more competitive. This method of utilising new technologies produces a crisis in the field of waged labour. Whilst some workers clearly benefit, many more are plunged into unemployment or insecure work which reduces the capacity of households and communities to support themselves. It also threatens personal identity and human dignity. The ethical challenge here is to work creatively on new forms of organising labour, production, finance, consumption, trade, knowledge and political power.³

Advances in telematics, although at present unevenly distributed, create the potential for the democratisation of communication. The potential exists for using these technologies to support human relationships, to develop new life projects on different levels. Thus globalisation creates the potential to unite people, to enhance the sense of co-responsibility with respect to the environment and the well being of people and communities. This technological possibility can be used to emphasise the complementarity of knowledge and skills. It is already being used to remarkable effect in alliance building and campaigning. To give two examples, the recent

campaign against the proposed Multilateral Agreement on Investment was largely dynamised through the internet and the best information on the Asian crisis is also to be found on unofficial web sites. But such technology is also being used by local economic alternatives to network and share skills and in some cases to promote local - local trade.

In looking for future economic alternatives the consultation focused on both local and global action and at resistance and alternatives. In every case the link between micro and macro approaches has to be maintained. However, a fundamental point is the need to reconceptualise the dominant economic model. Bob Goudzwaard advanced the organic metaphor of a fruit tree which combines raw materials in its blossoming, includes all cells in its processes and lives in harmonious symbiosis with its environment. All this is made possible with a carrying concept different from that of the dominant economy - that of saturation. Theologically you might link this with the concept of the realm of God, which is designed to fill the whole earth, as the basis of a non reductionist globalisation project. From a Christian perspective, people should be inspired to live out their citizenship as members of this shalom orientated realm, not in the context of the globalising economic realm.⁴

The consequences which follow from this can be seen in the following four main points:

1. **Controlling the Power of Capital** It is necessary that the present extremely high mobility of capital and its 'absurd claims on the real economies' should be curtailed and restrained. One proposed starting point is the taxing of capital flows. However it is important to have the perspective that the need is to re-order the entire monetary system. In particular it is important to guarantee the right of access of the poorer countries to finance. This is a reflection of the Jubilee principle.
2. **Building a New Politics Through Civil Society** National and global economic and political actors should be increasingly addressed and counterbalanced by national and global civil movements, especially where their actions threaten people's survival, human rights or the sustainability of the environment. The international court of justice should be empowered to deal with cases of abuse. A key immediate priority is to ensure that the basic needs and aspirations of people and communities are met. (Food, shelter, basic health, water).
3. **Building a New Socio-economic Model** Efforts should be made to rebuild the socio-economy from the 'bottom-up', enabling different kinds of economic alternatives as part of an emerging socio-economic, political and cultural project. Initiatives to create new ways of working should be supported and linked up.
4. **Supporting the Diversity of Human Culture** All forms of chauvinism should be rejected and efforts supported to promote the unity in diversity of human cultures and ways of being.

3. THE ECONOMY UNDER GLOBALISATION - CHALLENGES TO & FROM FAITH

The contribution of theological reflection to the process of the consultation at Malaga was integrated into the various contributions and workshops. For example, the plenary contributions from Bob Goudzwaard and Marcus Arruda on future visions of the economy, referred to above, were related to important theological themes. However, the theological reflection on the theme of globalisation was given a specific focus in contributions from Molefe Tsele and Jung Mo Sung. The theological contributions dealt with both the reality of the present economic model and its consequences for people and the environment and with the underlying visions and values. Both papers came from perspectives related to the experience of the majority world, that is the poor and excluded of all regions (the global south).

The apologists for competitive globalisation claim that the system both delivers increased wealth for all and that it is 'good for you' from a moral point of view.⁵ To start with reality. It is clear that globalisation brings benefits to some sectors of the population in most regions. However, a closer analysis reveals that an increasing number of people in the so-called north and the majority of people in the south are subject to a process of social and economic exclusion. This is described as a new form of **social apartheid**. As more and more people are excluded from the market place, from the fruits of development, from the basic conditions of a life of dignity and in some cases even the very means of survival. Globalisation integrates economic activity on an ever higher level, whilst, as part of the same process, it also leads to dis-integration, conflict and in the extreme case war if it is carried out on the present competitive model. This is the background to the link between globalisation and exclusion, one of the key causes of which is unemployment and the deregulation of labour and social conditions. This structural process which, at a fundamental level is independent of the fluctuations of the business cycle, is not reversible by the traditional models of economic growth. Indeed, profitability increases as unemployment and deregulation proceed. So even though total employment in the world is increasing, structural unemployment and underemployment is also increasing at the same time as production is increasing. The driving force is the movement of capital, related to demands for a high rate of return and coupled to deregulation, privatisation and competition.⁶ The first theological challenge with which the ecumenical movement and the churches have to address is the growth of social apartheid, which directly contradicts notions of shalom and of the reign of God.

One very important new feature of the economic system, which relates to the deep structure of personality and the **image of the human person** and human fulfilment, is the deep splitting of the market for consumer goods and services. The most profitable activities are no longer those which directly meet human needs for food, clothing and shelter - the needs that mass market capitalism aimed to meet. The most profitable activities are those related more deeply to human desire and personal identity. The need for clothing is transformed, through the integration of high design content, into the creation of markets for high value added and in many cases customised products and services. The present economic system depends on stimulating the demand for ever more complex and sophisticated products and services, which are deeply linked to people's search for identity in a rapidly changing context. Yet those who are excluded from the mainstream market economy are also subject to the impact of the same marketing and communication technologies. 'Therefore we have the tragic situation where poor youth and adults are stimulated to desire sophisticated and superfluous consumer goods at the same time as they are denied the possibility of access to and the meeting of basic needs.'⁷

This analysis goes to the heart of the matter on a personal level, because it shows how the present consumer driven model of consumer capitalism works on the most basic factors of the human personality. It homes in especially on the desire to 'be' and the basic dynamic of the human character which is to imitate the desires of the most significant role model. The necessary conditions for belonging and identity in the dominant system are related to specific objects of desire. The economic system converts objects of desire into social and psychological necessities. Basic products are redesigned to become statements of identity. Personal worth is related to consuming superfluous goods and services. This is the personal dynamic which fuels the rise of exclusion as people strive to possess the desired objects. It is also related to the desire for more and more money and by implication power. The dominant role models hold out the promise that this dream is open to all, that money can buy identity and meaning into an ever expanding future.

There are many ramifications of this process, especially if we see the way in which the present communication order is also involved in the splitting process. Views of **time, place and narrative** are very different depending on position on the global economy. For instance, to be tied to a place called 'local' for some is a sign of deprivation in an age of mobility. Some have the privilege of mobility. It is also important to remember that many poor people, who would normally be tied to locality, are forced to move to survive and they are usually therefore living illegally or in very precarious conditions. For many in the present economic conditions, the possibility to construct personal meaning and story (the basis of ethical behaviour, of character formation) is denied by the deconstructed living and working conditions they endure. Some enjoy the heady excitement of creating their own life in the global economy, as workers with highly prized skills, others are forced to endure constant change but without the sense of story, progress and future hope which marked an earlier phase of capitalism.

It is important to remember the **differences of experience** between those in the so called south and in the north. The recent history of the development of various welfare state models - or the lack of them - is one key factor of difference. Another is the different composition of the populations in relation to the juxtapositions of people living at this moment but effectively in different 'times'. For example some people are now effectively living in a pre industrial culture and economy, some are living in the era of the mass production factory system and others living in a post modern culture. The possibilities to find work in the global economy is limited if you are effectively living in another 'time'. On top of this, to varying degrees, the situation is affected by the number and composition of the elites belonging to the 'global north' in any country or region. Such groups tend to be powerful in every context and are globally networked. They share, to a greater degree, a common culture of acquisition, compared to the majority of the population from whom they living apart in most countries. Certainly they are living apart from the excluded in every case. This is desire to live apart is one element in the spatial segregation and differentiation of the post-modern city. It makes the fashioning of a politics of the common good extremely difficult, because the primary identification is with the global north and its success.

These developments taken together form the background to the rise of the international **criminal economy**, linked to people's survival strategies and linked up using informatics in the same way as the 'legal' economy. It is also the background to the rise of a-social behaviour which is prevalent in many city neighbourhoods in the global north. The obsession with consuming and with the acquisition of economic power at the heart of competitive globalisation

threatens the survival of billions and leads to the degradation of the environment. This is one of the key differences between exclusion and previous situations of poverty in the global north. And as neo-liberal programmes, for example of structural adjustment, are coupled with this process of competitive globalisation, frustration increases violence and leads to a loss of self esteem. Thus, what starts out being analysed as an economic problem exposes a fundamental issue for theology as well as for strategy, for finding ways out of the present dehumanising economic model.

As Jung Mo Sung pointed out, these issues of analysis relate to some fundamental theological questions which have been central to the emerging theologies of the global south. For instance, the emphasis on **grace** and the understanding of justification by faith. This is a critical response from the Christian community to an economy which justifies by the capacity to consume. Or more radically it raises the question of the meaning of being **justified by a God of justice**. The spirituality of late capitalism, the road to full humanity which it espouses, is in contradiction to Christian spiritualities. This has implications for the initiatives which should be developed, based on the need to emphasise other values which allow people to survive with dignity. Initiatives which build up social solidarity and participation, emphasising human relations as primary over consumption and accumulation and which attack the prevailing culture of violence are critical elements in building up resistance and alternatives. The force of tenderness amongst excluded groups is a primary element in developing new models of life, activity and work as alternatives to competitive individualism. It is important to live out these new identities and stories because they go to the heart of the spiritual challenge of competitive, informational capitalism. The new politics differs from institutional politics in that it constitutes a series of networked 'projects' which incorporate new lived identities.⁸ This also has implications for ecclesiology and the role of faith communities.

At the Malaga consultation there was, by and large, a recognition of the importance of markets, but also a recognition that all markets are embedded in cultural and social contexts. They are regulated in the interests of one group or another. The **theological reflection on markets** tended to concentrate on the idolatrous nature of much of the contemporary defence of markets, on the negative impact of deregulated financial markets and the totalising view of free trade. On the one hand, there was a critique of the reductionism inherent in the view of human behaviour, for instance in the pure market models. On the other hand there was a sharp critique of the operation of financial markets detached from the 'real economy'. The early theorists of the market never imagined the unregulated flows of capital, which even Keynes thought would remain primarily national.

There are three fallacies which powerfully affect this debate. One is the fallacy of misplaced concreteness, which relates to the tendency to apply models, for example of the economy, directly to decision making as if they were not abstractions from reality which select certain aspects of behaviour.⁹ The second fallacy is to assume that the market is a natural system, following patterns found in the living world. This gives a spurious legitimacy to markets and apparently puts them beyond criticism, providing they operate naturally, that is in an unconstrained manner. It eliminates human (political) responsibility for markets and their impacts and denies the basis for responsible action to address, or better prevent, the perverse consequences of markets on social exclusion and environmental damage. This view could be called the '**idolatry of the market**'. This is the second main line of theological critique which was pursued at the consultation in Malaga. There is a need to vigorously attack this idolatry and seek to conquer the fascination and fear with which the market system, as a sacralised

system is held. Without such a critique it can always be asserted that the sufferings of the people are necessary sacrifices and that solidarity is anti social because it interferes with the just workings of the market. This links to the cluster of strategic questions related to the ways in which a new regulatory framework can be established for the various markets in the present context of a globalising economy. It is idolatrous to assume the economic order functions according to its own (divine) laws and so cannot be interfered with by people.

The third fallacy is to identify **economic growth** with human and social development and human well being. Because this is so, all discussion about human and social values and about the rights and responsibilities of people, communities, national and international organisations for economic outcomes are illegitimate. All the negative effects on people and the environment are assumed to be self correcting. The main line taken is to have as much competition as possible in a deregulated market focused on narrow views of efficiency and the maximising of economic return. The free flow of capital is stripped of its responsibility for environmental damage and the human casualties left behind by capital flight and factory closures. Economic integration based on this model of globalisation radically changes the potential of governments to pursue independent economic goals. Increasingly, the integration of economic activity, the liberalisation of trade and the extension of trade agreements to include intellectual property weaken self government and achieve a new form of economic colonialism. However it is clear that no economy could survive if it relied on the 'pure' model of competitive capitalism and many actors, even in the global north do not ascribe to this credo.

Nevertheless, by putting together these views of the alleged benign nature of the pure market, the culture of contentment in the global north is given a spurious legitimisation. The outcomes of the market are a kind of savage realisation of eschatological judgement. Good behaviour leads to prosperity and success (a belief which is even foundational for some churches) and conversely poverty and exclusion are also 'just' rewards, reflecting the 'guilt' of the poor. This is a 'secularised version of the theology of retribution so criticised by Jesus and the reformers, through the theology of grace.'¹⁰ It follows that not only is affluence justified, inequality is also to be welcomed because of its function in providing an incentive. And there is no need or motivation to consider the fate of the excluded, except - in some versions of this viewpoint - by random acts of charity or through freely chosen initiatives of civil society.

The basic theological critique is not of markets as such but of a particular ideology which sacralises markets and which informs and legitimates (but thankfully does not determine) economic policies imposed by the global north in the project of competitive globalisation. The fundamental truth is that the economy should serve human life in sustainable communities. There are enough clear indications in the old and new testaments to support such a viewpoint and we do not need to rehearse them here. Suffice it to say that it is the task of theology to unmask idolatry and to announce that the name of God cannot be used to justify injustice and cynicism. The logic of the pure market must make way for an economy which fulfils the right of all to a dignified life, which respects creation and which is reinvigorated by the search for equality and lived solidarity.

This does not imply the abolition of markets as a component of a future economy and society, but markets will have their rightful place not as omnipotent or as totalising idols, beyond criticism and regulation. This implies the existence of regulatory and preventive systems to secure the rights of people and the preservation of the ecosystem. The participants at Malaga had different ideas about the creation of such a system, there was no dominant proposal for a

political programme but the direction was clear. The first is to find a process to **revitalise politics**, recovering the political will to work on social and economic problems, to fashion new instruments to address the issues of health, education and welfare as well as securing the rights of workers. The economy should be given a direction towards social inclusion. Moreover civil society should be strengthened as an instrument of transformation and as a means to control political power. As well as political struggle and transformation, there is a need to create all kinds of alternatives on the local level and to develop new systems of training which build on processes of non-formal or popular education with those who are excluded, including children and young people. Furthermore, it is important to maximise the new potential for working on the consumption patterns of the global north, seeking to develop new direct trade links and consumer led movements, for example on labour standards. One element which is vital to this process is the creation and sustaining of national and international linkages and co-ordination. This is a challenge for the ecumenical movement, one of the few instances of a truly global and truly local reality which exists as part of civil society world-wide, with a focus on groups and communities of excluded and marginalised people.

The missionary dynamic of the gospel is towards globalisation - based on a radically different concept- global ethical consciousness and responsibility.¹¹ The background to **co-operative globalisation** should be created on the basis of ecological stewardship and the development of a participative, democratic culture. New global instruments are needed to protect human rights, including economic rights and promote conflict resolution, recognising the economic basis of many conflicts. It goes without saying that there is a need to promote a more just sharing of resources and more effective responses to natural disasters. Competitive globalisation makes this more difficult but the imperative of the gospel moves in the direction of koinonia which cannot be built on adversarial relationships and conquest. It cannot be built by transferring the lifestyles and cultures of the global north to the global south. There is a need to find new ways to live together in communities which are based on modesty, simplicity and humility.

4. THE ECONOMY UNDER GLOBALISATION - THEMES & ISSUES

In this section of the report we highlight some of the key issues raised in the Malaga consultation as they were reported from the working groups and fora. The rich diversity of the participant's experience also enabled a number of specific follow up actions to be agreed.¹²

(i) The Financial System & Debt

This theme was developed by a group which included many of the participants in the workshop on debt and Jubilee which preceded the consultation, therefore the concentration is much greater on the financial system. This has emerged as a major theme because, in the course of the last twenty-five years, the world economy and politics have been, and are still being, radically transformed by the eruption of high-speed, volatile, and speculative global money flows.¹³

Driven by the final break up of the post-war Bretton Woods monetary system of fixed exchange-rates in 1973 and the subsequent 1980's financial revolution, the emergence and dynamics of astronomical amounts of 'stateless' capital drifting freely across national boundaries led to it being separated from the underlying fundamentals of the real economy. This produced unprecedented exchange-rate misalignments, economic imbalances, and financial booms and crashes.

This new regime of globally mobile, unchecked capital has – as a result of the countless examples of deregulation and liberalisation by political authorities throughout the world – caused governments' sovereign control over virtually all monetary issues of national concern to slip away, thus overturning the governing relations between markets and politics.

It increasingly becomes clear that among the world's most powerful actors there is no political will to respond to this harmful political vacuum with adequate swift regulatory action at the international level, in order to regain control of transnational capital. Social movements worldwide must join forces to demystify neo-liberal financial globalisation. In this regard, the so-called Asian financial crisis provides a sad but virtually ideal opportunity to focus public discussion and criticism on the subject of globalised capital markets. In view of the substantial effects which the turmoil in Asian currency markets has, not only on the countries directly concerned (according to the ILO, in Southeast Asia alone at least five million workers will lose their jobs due to the crisis), but also on the world economy as a whole, it is generally agreed that the financial markets need a 'new international architecture'.

The multilateral financial institutions, such as the IMF, the World Bank and the crucial political 'players', the G 7 governments, are only considering cosmetic reforms. From their point of view the reasons for the crisis are to be found only in the Asian countries themselves. Thus, they first and foremost consider it sufficient to pursue 'business as usual', pressing for 'economic policy corrections' in the direction of the existing structural adjustment programmes. These chiefly aim at ensuring that countries are more open to all kinds of financial flows and at integrating the affected countries further into the international finance system. Alongside this, they are promoting new 'crisis prevention' and 'crisis management' measures. This means the introduction and improvement of supervisory standards and structures for the national financial systems in the emerging economies on the one hand, and the new Supplemental Reserve Facility of the IMF on the other. Both these measures are supposed to restore confidence and

to prevent the crisis from spreading to other regions.

In any event, these policies have so far failed to bring about any convincing economic results. On the contrary, they even seem to have aggravated the crisis for they are based on an inadequate analysis of its underlying causes. Even among many eminent mainstream economists, including the World Bank's chief economic adviser, there has emerged a major disagreement over the appropriateness of the applied 'standard policy package'. It is obvious that the Asian crisis is completely different from the (still dramatically prevailing) debt crisis of the eighties – the Asian countries had high saving ratios, inflation was low, budgets were balanced or even in surplus, and there were no problems with financing the balance of payments. Actually, it was the private sector that prepared the ground for the crisis by recklessly borrowing short-term capital in foreign currencies abroad (the international banks were too willing to make ever larger loans), sinking the capital into unproductive investments and thus creating speculative bubbles. When the crisis was finally triggered off by the massive speculation against the pegged and thus over-valued Thai Baht the immediate, herd-like exodus of foreign capital resulted in unprecedented devaluations and stock market crashes as well as in a severe over-indebtedness, thus causing havoc in the whole region. While the involved international commercial banks were bailed out at the expense of tax payers, large parts of the populations of the affected countries are suffering from the devastating social impact of both the crisis as such and the IMF-imposed policies of fiscal austerity and tight money.

In the light of this, at present the odds are clearly in favour of all those who have been critical of the neo-liberal approach of financial and monetary deregulation ever since. For 'the crisis has taken the form of a major market failure' (UNCTAD). It is absolutely evident that the existing international arrangements are not only insufficient but also asymmetrical – they are designed to discipline the countries of the South rather than regulate or control the major commercial actors on the capital markets. In order to prevent, and if necessary manage, future crises, it is therefore simply not enough to strengthen supervisory and prudential regulations and supply additional funding for the multilateral institutions, as proposed by the World Bank, the IMF and their allies. It is rather a question of the whole setting of the international financial 'order'. What is desperately needed is global political co-operation and co-ordination which aims at putting a check on the capital markets instead of deliberately letting them take on a life of their own.

This requires the political will to set up a global institutional and regulatory framework comprising new instruments and mechanisms that are supportive of the development process of so-called developing countries' and of the stability in the world economy. Reform proposals such as the introduction of the 'Tobin tax', the appointment of an independent international financial supervisory board, the implementation of restrictions on selective short-term capital movements, the enactment of laws against tax and capital flight, the reshaping of the monetary system (to curb excess currency volatility), and last but not least the democratisation of the multilateral financial institutions all point the way towards a more just and sustainable international financial and monetary system.

The political will for such a comprehensive change is not likely to come about unless social movements throughout the world contribute to increase the pressure on policy and decision-making by means of providing critical information in order to raise public awareness, through identifying new allies and intensified networking, and by lobbying at different levels. This, of course, applies also to the world-wide ecumenical movement.

(ii) Work and Employment

In attempting to analyse and identify issues, there is a basic difference of perception between the 'North' and the 'South'. Those in the 'North' have witnessed the creation of government workfare schemes, which reflect negative attitudes towards unemployed people and the refusal to recognise that there is no work available anyway. We therefore face the issue of whether we can revalue work to include social forms of activity, whether paid or not. This is particularly important for women, as they do so much of the unpaid work. Such a move raises questions about basic economic security, especially how tax systems might be changed to provide a minimum income for all instead of providing public money for the private sector to make private profit. The revaluation would be rooted in acknowledging the dignity of people and fostering their self-esteem.

For the South this does not get down to basic problems and offers only palliatives. Whereas in Europe there is some recognition of the concept of citizenship, in the South this is not yet consolidated. Moreover, unemployment has many causes beyond technological progress. Structural Adjustment Programmes have weakened the South's ability to create employment, for example by limiting governments' involvement in the economy, by public-sector downsizing, by decreased spending for public programmes, regulations on exports, and devaluation of currency. For unemployed people the task is how to invent income-generating means for sheer survival. There is need to get down to basics - centrally the stranglehold of competitive globalisation. The prime need in the South is to democratise state machinery. This means educating people to challenge the state to meet their basic human needs. This in turn would mean also the global democratisation of economics, whereby governments are pressed to restrain multinational companies, and politically it would mean a shift of power from the North (the IMF and World Bank in particular), so that the South recovers a minimum level of decision making capacity.

One question is whether then the forms of worker protection in the North are of no interest to the South. It was recognised that if no fight is put up in the North to protect their worker's gains from erosion, then that is to capitulate to the dominant economy and does no service to the struggling South.

Theology is reflection on faith and practice, and is displayed in practice. Its motivation is our experience of God's love for us. It requires careful listening to people's experience, especially those most badly affected, and the analysis of their situation. It also requires dialogue with economic interpretations of reality, and the critique of ideologies of economy and work. It can propose values, centred on the nature of human beings as children of God, as guidelines for life in society.

However, pastoral practice often shows a gulf between the values proclaimed and the values on the streets, where children and young people can earn more by crime and prostitution than through a job. We need to face the fact that there are often no simple answers. Contradiction, suffering and tragedy remain in history. It is hard to be certain of human dignity when we see such tragedy. Faith starts by accepting that God does not magically change history or lift us out of it. Rather Jesus became a human being and lived among us. We should therefore trust in Jesus, accept people as they are in his eyes, and engage in the long-term struggle for feasible solutions. It is important to do what we can in the short term for people, even if it has

no macro-economic consequences, recognising our limitations, and that there can be no complete freedom on this earth. Moreover, when the women went to the tomb where Jesus was laid, they did not go to see a miracle but to care for a corpse. They had no hope. Perhaps we do not trust that Jesus can remove the stone in our lives which we cannot remove ourselves.

The basic challenge to us is how to realise a vision: the flowering of social movements which represent a new social and economic reality. Such movements would need to develop a new kind of spirituality, based on the experience of its members as children of God (whether explicitly Christian or according to other traditions). In these movements the energies of people would be released to develop new forms of community in which people were respected for their dignity and enjoyed solidarity among themselves and with others. Work would no longer be idolised as an absolute (the work ethic would be dethroned), but understood in a broader sense as social activity celebrating or enhancing life. It would include the long-term development of income-generating economic activity. But we also envisage the emergence of different ways to value work, many of which would not necessarily be associated with income generation. This new valuation would have particular implications for unpaid work, and especially that of women. The precise forms of work would depend on the different geographical and cultural circumstances.

To realise such a vision, a double strategy is needed. On the one hand there is the institutional approach - one member called it the 'dignification' of politics. We noted good practice in Kenya, and offer it as an indication of a possible way forward, capable of adaptation. In Kenya there are players at various levels - government and other official institutions, political parties, NGOs, trade unions, churches, and the grass roots. NGOs play a mediating role. Their first concern is to support organisations working against unemployment and against the negative effects of the dominant economic system. They support and stimulate initiatives from the grass roots for income-generation and enable them to link up with each other and with sources of financing, such as micro-credit facilities. They also scrutinise the policies of parties to determine which is the most friendly to the interests of workers. They lobby parties in the interests of the grass roots and the workers, and explain the implications of policies to the grass roots and workers. They also discuss issues with official institutions and provide important analysis of economic and social policies. For example they meet with officials before they go to discussions with the World Bank, to forewarn them and draw out implications for Kenya of what they are likely to hear. There is a national body of NGOs on multinational agreements. It was noted that NGOs have a crucial role in conducting research and in advocacy to protect and enhance the possibilities of the grass roots and workers. However, there can be problems: if NGOs receive government money for work with people, they have to live with danger of being forced into undermining compromises. In sum, NGOs are key players in the effort to democratise structures, institutions and decision-making, and in the development of coalitions and linkages between various players

The trade unions play a similar mediating role, as do the churches. However in many places in the world, trade unions are too much focused on protecting the interests of those already employed, not those who are unemployed or underemployed. A task of the trade unions is therefore to expand their mandate into policy issues and advocacy, and to find areas of common interests between constituencies which at first sight may not have much in common.

It was recognised that in many places the situation is much more difficult. In Latin America

where the governments are generally even more neo liberal than the US, they reject dialogue with and advocacy from the NGOs. There are no grey areas between neo liberalism and radical alternatives. NGOs largely lack resources to do research and analyse policies and give local groups a macro view so that they can fight against neoliberalism. Meanwhile there is a deep concern at the very high levels of unemployment and at the increasing flexibility of the labour market, which makes the workforce very vulnerable.

The other prong in the double strategy we recommend is the changing of consciousness. This involves bypassing the excluders and working with the most marginalised, sharing their sufferings and hopes, and looking for the liberation of their energies to create social and economic realities on a human scale. These may be co-operatives, social care movements, micro-credit, and so on. It would involve creating entirely new markets, such as for fairly traded goods, in order to create new kinds of work, reflecting changes in people's desires and values. This would prepare the way for a new economy of people. This movement has at its root the belief that we are children of God, which is far more important than the accumulation of money. It involves real openness to encounter with each other, amid diversity and difference. This will take many years to bring about, but the really big changes are not the result of instant revolution but grow gradually out of new energies which create small communities giving dignity to the excluded. Is not the Church the oldest global institution, and is not this the way it has functioned at its best?

These two strategies are complementary. There is a creative tension between the personal and the institutional, and between the local and global. Between them the two strategies would give a deeper meaning to 'democracy'. Many countries are formally democratic, but we need to go deeper. All societies need a spirituality. The current economic system has its own spirituality of accumulation. By contrast, the new spirituality would be one in defence of those presently excluded. Moreover, all people have skills, but what the market values is arbitrary. In our vision human skills would be deployed and enhanced in a new type of market according to social justice, not via a profit-based approach.

It is important to note some of the blocks to this and the correspondingly huge task of education and communication to combat such attitudes and to strengthen such social movements and changes of consciousness so that they reach global proportions.

(iii) Agriculture & Poverty

Globalisation has a massive effect on farmers throughout the world. There is a fundamental difference that should be respected—but it is not—between the production and marketing of food and the trade in any other commodity. To force agriculture into the liberalised world market has a dramatic and negative impact on the use of land and land tenure in Asia, Africa and Latin America. In addition food security at the household and national level is often lost. Agriculture should not be used for export earnings, unless the country has reached the stage of food sufficiency. Even Adam Smith saw international trade only as appropriate as a "vent for surplus", after national needs have been satisfied through the national market. From a sound economic point of view it is absurd to import the food that the country itself was able to grow earlier at a much lower cost.

Export subsidies on surplus food production which the rich countries sell to the south should not be tolerated. Internal food subsidies are a legitimate way - if necessary - to maintain food

security.

Large scale agriculture is often promoted by government policies, sometimes under external pressure, only to increase foreign exchange income. Small farmers become landless and still are becoming landless because of the fact that they cannot compete. They are driven out of agricultural production because they cannot afford expensive seeds, chemicals and other inputs.

There is a need to preserve small scale farming through the implementation of appropriate technology, the development of local markets, and networking to reach this goal. Traditional methods continue to be a source of inspiration and knowledge and organic methods should be promoted.

The negative effects of globalisation impact on the position of farmers, especially the poor and also on the environment, bio-diversity, and the sustainability of agriculture. The important role of local food production in cultural identity should be recognised. It is urgent and possible to counteract these developments. In Burkina Faso still 90 % of the population earns its living on the land. Agriculture is not totally globalised and there is still plenty to fight for.

(iv) Land & Resources

Despite the trend toward urbanisation throughout the world, large sectors of humanity live on the land as peasants and small farmers. Land is the single most important factor affecting their well being. In a globalising economy questions of the ownership and use of land as well as agricultural systems are affected. These are concerns world-wide which affect family farming, but also in the so-called transition countries of eastern Europe.

There is a rich diversity of understandings of the land. In the Biblical tradition it is the source of life. It is never private property and always an inheritance, a gift of God which is not to be bought and sold. Humankind is granted land to care for it and to live from it. In many cultures, similar understandings still exist. The economic logic is the self sustaining community, not accumulation for profit. In Poland land is a family place and identity, signifying an open future. In India, land is an organic link to the people, belonging to all and it is a place of festival al. It implies mutuality and is seen as the source of life. Many believe that losing land signifies death. In Korea, farmers are held in high regard because they work the land and provide food for life. In Latin America, land is the earth mother who produces and sustains life. In such cultures land is the viewed as the right to community and livelihood.

Differing social relations emerge from the way land is worked and owned. It is a basis for community, cultural identity and the history of the people. Such concepts require a land ethic of caring and respect - for the land and for the people. On the other hand the globalising economy views land as a commodity to be used for economic accumulation. Private gain not community welfare is the driving motive. Monoculture for export, using high technology inputs and processes alter traditional production, social relations and knowledge systems. Instead of crop diversity assuring food choices and genetic diversity (upon which future production is dependent), monoculture reduces production to a few high value cash crops for export markets. This affects domestic food security. The sale of food in far away places can also affect food security in the country or region of sale by depressing prices. The crops produced often require little labour and in many cases agricultural production for food is replaced by dangerous monocultures such as eucalyptus used for wood pulp.

Furthermore, industrialised agriculture has an impact on the roles of women, displacing them in favour of men who work the machines of globalised agriculture. Peasants tend to lose their land and become wage earners for large companies. Traditional farmers cannot compete with such intensive methods. Globalised land owners also displace farmers and fisherfolk in favour of tourist projects such as golf courses and hotels which affect water supply, water courses and pollute. Local people end up paying for water and not benefiting from economic growth. Globalised land use leads to serious environmental consequences such as the loss of biodiversity, soil erosion and rising saline levels. Large energy projects such as hydro electric schemes displace farmers and traditional agriculture. The knowledge of traditional farmers is privatised and expropriated, local communities are excluded from their heritage.

Thus land is a source of conflict. Powerful interests push people off the land leading to conflict of the remaining available land for cattle and crops. Land also defines territory and therefore political power and this can also lead to conflict. Transnational economic interests allied with local political interests tend to drive people from the land, denying the majority of the world's population the right to life, the right to produce their own food, the right to living space for their communities. Land is an issue of social justice and therefore also a faith issue.

Rural land issues also affect the cities. Changes in rural land use put pressure on cities as more people are forced to migrate to the cities. On the other hand, land in cities for poor people is not usually available to poor people and this brings its own problems as people struggle to survive in shanty towns.

Sustainable communities require a re-evaluation, to respect human life, cultures and the land itself. Whilst not romanticising traditional societies, they offer many resources for sustainable agriculture. It is important to find ways to support from and learn from communities that are resisting globalisation world wide. The diversity of agriculture and of food production processes represented are valuable and necessary for a sustainable future.

(v) Migration

The workshop in Malaga gathered people from both 'sending' and 'receiving' countries and from all the regions. Some countries which had been sending countries were now receiving countries, who in turn impose heavy restrictions on migrants - for example Germany, Italy and Spain. It was generally agreed that migration should be an act of free choice and that migrant's rights should be respected as human rights. This implies that there should be an end to forced migration and the possibility for all to live in sustainable communities. The problem is that, paradoxically, the globalising economy is making the this goal harder to achieve.

Whilst the globalisation process is moving to eliminate restrictions in the movement of capital, goods, resources, technology and service whilst labour, people are restricted. Migration is a process which has always existed, but more people are forced to move for economic reasons, or because of conflicts which have an economic cause. At the moment, for some countries, remittances from migrants form an important part of foreign earnings, even though wages for migrants are typically very low. The countries from which migrants come are more and more excluded and migrants are confronted with discrimination and violence.

The eradication of one of the main root causes of migration - economic insecurity - and the erosion of gross inequalities was seen as a key objective. A good example is the east to west migration in Europe. The west European countries which signed the Schengen Treaty have had to introduce tough new entry procedures which puts pressure on the countries on the periphery, such as the 'border' between Spain and Africa. In these cases external borders become increasingly militarised.

In the future, it is important to work towards a situation where citizens have the right to remain at home and to enjoy a life of dignity and security in sustainable communities. Efforts should be stepped up to prevent forced or undocumented migration. This not only includes actions to reduce conflict but also to eliminate all forms of trafficking in people. Documented migrants should be guaranteed equal treatment in receiving countries. On the other hand, in receiving countries it is important to develop positive attitude, policies and actions to uphold the rights and dignity of migrants and to value their economic cultural and social contribution. It is important to enable migrants to freely express their own culture and to have access to education, information and training. In general Christians should take action to create community with the uprooted.

(vi) Culture & Communication

The process of globalisation influences the values and priorities of communication and affects local cultures. Communication tends to be depersonalised and culture is exploited as a commodity. There is a tendency towards homogenisation and the undermining of local identity and community. The economic impact of this process is so large that by the early years of the next century, the economic value of culture and communication products will exceed the value of primary and secondary products. Thus, the economic gap between rich and poor will be exacerbated by a growing communication and cultural power gap. The link between the global economic flows and global information and cultural flows is very strong. Furthermore, these services are the most profitable sector of the economy after the financial sector.

This situation creates the possibility for the creation of networks amongst the excluded themselves, exchanging information and joining in processes of audio-visual production and education. Programmes of education in original languages and about original cultures can be enhanced as can literacy programmes.

There are some specific challenges for the churches in this field. Globalisation may be seen as continuing Christian and western domination. The church itself is also divided by the use of the new communication technologies, since more fundamentalistic Christian groups have built powerful communication systems using satellite communication technology which can be seen as new instruments of cultural domination. It is important to work on an alternative model of Christian communication, based on the value of building alliances with other communities and the values which promote the full life of each person and community. Arts and religion have a vital role to play as the free gifts of God to sustain life and they should be freed from the logic of profiteering.

(vii) Technology

Rapid advance in technological development in communication and transportation has accelerated the global integration of the market and transnationalisation of the corporate entities through trade, investment in stocks and financial goods, and marketing globally. Technology is an art and process of creating tools to achieve certain ends; it is differentiated from technique, which is the use of simple tools. Technology has become an integral part of the productive process. The production process is organised as a technocratic system in which the transnational corporations monopolise most of technology and influence and dominate the whole society. Technology has permeated the whole life of the people in the whole of society, local, national and global. Just as the 'Fordist' model of industry permeated institutional model building, for example of trade unions, so the flexible organisational models of informational capitalism are deconstructing institutions which protect citizen's economic and social interests.

Technology in primary, industrial, service and cultural sectors of production has different implications. The role of technology makes imbalances severe and drastic in the economic life of the people. There are two ways of relating technology and economy. Technology can be related to the dominant model of development, production and consumption. Innovation, organisation and development is closely related to the profit maximisation of the global capital. The alternative position is to organise and connect technology to production, saving human labour, on condition that gains of productivity through technology should be democratised. Here the people should be subjects of technology in order to serve their own true and real needs.

In the current dominant economic system the technology is so integrated with paid work that humans cannot have choice in their actual jobs and employment. Technology is effectively a barrier which still divides nations from each other. On this point, humans feel impotent. The density of work is created due to technology. Technology determines the organisation of not only the production process and work but society in general. Advances of technology in industry creates unemployment and is used to facilitate deregulation and flexibility. Technology is not neutral and so it needs to be humanised. Women are exposed to higher density of work in their jobs and they are "robotized" losing subjectivity and humanity.

The gap created between technology 'haves' and 'have nots' has been deepened. How to overcome this gap is a serious question. Hi-tech communication technologies promote the marketisation of cultural products on the global scale. Multimedia developments have promoted consumerism on the global scale; and it creates arbitrary needs among the people through advertising. New technology is often used by powerful global financial institutions to support highly speculative processes, severely damaging economies, communities and peoples. This development accelerates the globalisation process, integrating the national markets and societies to the global process.

On the other hand, the internet can promote alternative people-to-people economic relations on the local, national and global levels to promote appropriate technologies that are friendly to the environment. Human beings are created according to image of God and they are given talents for human work as creative and meaningful activity. Technology in human work must serve this purpose.

People can make choices to create and use technologies for creativity, humanisation and sustainability over against the determination of technological process by the market. All the productive activities (work) as human creativity, economic, social and cultural, should be revalued not according to the wage scale of market rules, but it should be valued intrinsically, and be regarded as social participation for the common good. This basic shift is required in our understanding economic activities. We need to de-link our work from the income system of private persons, but to relink to the economic life to meet common needs of the whole human community. Work, visible or invisible, should be valued in the context of the whole of the society. It should be organised to enhance creativity and humanisation of the work, not merely productivity in market terms. People should defend their life from the local level through alternative ways of organising economic life, linking alternative development and application of technologies. Alternative technologies should be developed. They should be culturally, environmentally, socially fruitful as well as economically productive. This is possible and necessary.

Political and economic institutions should be democratised to meet the needs of the people on the national level, while people defend their economic security and organise alternative economic life on the local level. People should develop global linkages for mutual support, solidarity and sharing across complex boundaries of exclusion. Communication technologies should be reorganised to link peoples economic activities, linking the local, national and global levels. There should be countervailing solidarity linkages against the dominant nexus of economic powers of transnational corporations. Technological developments should be shared for the whole of the community, and they should not be monopolised for the private gains of corporate entities. Patent rights, copyright and other intellectual property rights should not be sanctified to promote the private monopoly of scientific and technological know-how.

Humanisation and the alternative organisation of technology will create more participation, more sharing and more justice than in the existing system. Technologies directly related to human security should be made public property for common sharing. This process could be supported by a deeper evaluation of the concrete costs, including the visible and invisible contributions of labour, technology and other inputs, including subsidies and incentives and the true cost of externalities. This would provide a point for the evaluation of new human centred, environmentally friendly technologies. Furthermore, it is human work and creativity which is the basis of value creation. However, it is important to see work not as an individual contribution alone, but as work by persons in relation. This has implications for the accessibility and sharing of technology as well as for the benefits of work. Work should be de-linked from the right to survive.

(viii) Tourism

Tourism is about land, finance, the work and culture of the people. However, it is one of the largest and certainly is the fastest growing sector of the world economy. It accounts for ten per cent of GDP globally and is the single most important earner of foreign currency in many countries of the south. The argument is that money spent by tourists benefits the local economy and that cultural interaction will lead to understanding and therefore peace. However, there is ample evidence that poor and marginalised people and communities become poorer, just materially but also culturally. Tourism is traded as any other commodity, working for the benefit of the transnational corporations who control the bulk of the industry. Tourism is an

invisible export, whose content is the life and culture of people and the environment. The question is do the people involved want to be packaged and traded in this way?

Tourism can bring prosperity, but it also has great potential to reinforce inequality and economic dependency. People and communities are evicted, livelihoods are lost, prices for land, food and fuel locally rise and cultural assets are commodified. Tourism can lead to the loss or contamination of local water supplies and so people are driven off the land or are unable to fish the coastal sea and lakes. Tourism can lead to the violation of the rights of children and women in so-called sex tourism. Meanwhile, in terms of local benefit, most of the payment for a holiday is lost to the local economy because the company providing the package is foreign owned.

Tourism is a political choice. Once a country accepts investment in mass tourism the infrastructure has to be built, along with other facilities. Such costs, borne locally may simply make external investments more profitable and the jobs created may not pay adequate wages to support local families. Being aware of the downside of tourism has led to the developments of green or alternative tourism - or even archeo-tourism. Such small scale tourism will attract people interested in the environment, in history or culture and may lead to the renewal of local and village life. It may privilege notions of other profit than pure financial return. It will be less profitable for the big players, but more profitable for local families. However, in many cases this means that tourism is simply combined with a range of other marginal economic activities such as agriculture. However, it is important to be aware of the downside of alternative tourism. Rural tourism in Africa, advertised as alternative, may deprive local people of access to their ancestral lands used for cattle grazing. There is a need to combine ecological and social factors. Another possible way forward is the development of ethical or fair trade tourism. This approach recognises that the bulk of the trade will remain with the big players.

At present, mainly affluent people of the global north are involved in tourism. Through advertising they maybe search for a mythical 'paradise' of sun and nature or for recreation or for an authentic past or present culture. Should tourism help the tourists reflect on their lives as in a pilgrimage?

Tourism raises many questions which are associated with any economic activity. Globalised tourism is in many ways based on the same criteria of efficiency and the same reliance on external capital as any conventional international business activity. However, it interferes with life and culture in a profound way and may cut across the interests of local populations.

Theologically, reflection on tourism raises questions about efficiency, a broader concept of which is required than that which normally determines investment decisions. We could say that the efficiency of sustainability is not identical to other views of efficiency. With conventional investments, skills may be unused, previous investments rendered obsolete, nature spoiled and energy wasted. Can we search for a sustainably efficient concept of tourism? Also, is it possible to develop a more democratic approach to decisions about tourism, including participation by the people who will be most affected? This general question is central because of the cultural and economic impact of tourism on local community life.

5. The Economy Under Globalisation - New Alliances

As we have seen, informational capitalism, through the development of competitive globalisation, disorganises economic and social relations on every level. Many of the organisations on which we base resistance were formed as a response to an earlier stage of industrial capitalism and mirrored the organisations they were countering, certainly in organisational form and often in core values. These forms of organising are now in question.

One of the key elements of the present economy is the use of culture, identity and meaning as sources of profitable elements of the market for goods and services. On the other hand, as a result of rapid economic and social change, new social movements have emerged which combine political purposes with the realisation of life goals. These movements also deal with the question of identity and culture. There is a challenge here, arising from the globalisation process, for faith communities. Social movements embody alternative values and explore for answers to the dominant questions of economics and politics. In contrast to the dominant systems they embody ideological thoughtfulness and develop concrete utopias - glimpses of the new future in reality. One of the key areas of conflict raised by globalisation, compared to earlier phases of capitalism is the area of subjectivity - to struggle against the logic of "marketised" symbols and culture is of central importance. We could put it this way - the market now wants to control the way we think, reflect, produce symbols and cultures.

Social movements are strongest in the areas where the impacts of globalisation are strongest. They combine organising 'from below' and the building of new structures and processes of accountability. They search for resources, build community and identity, preserve memory, innovate, develop symbols and link practice and spirituality. When we speak of civil society in connection with social movements we are not referring to the deregulated provision of services or the imposition of solutions from above. Although social movements may provide services, they are wary of being co-opted. The processes in social movements are much more in the area of the deregulated exchange of ideas based on experience and the building of solidarity, through communication and common action. In fact 'networking' as an organisational form was pioneered by social movements and taken over by the private sector.¹⁴

The consultation members were searching for creative entry points and discerning the signs of changing directions in the dominant systems. The participants aimed to find ways to combine research, learning, communication and action. The integrating point is personal story, community story. Important paradigms include the notion of people as the subject, empowerment and networking. However it is also important to emphasise sharing life and story.

The consultation raised many questions about the mission and structure of the church in a globalising economy. The institutional churches are ill-adjusted to globalisation. Mostly, their organisational forms embody authority, hierarchy, dogma. These forms are very difficult to work with as part of alliances and networking. They are not fluid enough to relate to a rapidly changing context. Furthermore, because of the economic, political and cultural crises brought about by globalisation - in some cases including war and civil conflict - the churches have a vital role to play. Sometimes they are called on to legitimise power, or counter power as a creative counter movement or through new forms of religious authoritarianism. In a time of great uncertainty, there is an inevitable search for authority, including a search within the churches. This leads also to a greater interest in drawing boundaries round the faith

community, to a concentration on 'core tasks'. Now it might be the churches capacity to be open to the whole of life which is vitally needed. There are exciting processes of common working between churches and ecumenical groups and other faith communities and social movements at every level. This produces rich new understandings of ecumenism which deepen the understandings and reflection of the churches. The consultation recommended the introduction of more decentralised ways of working, linking sectors locally and across geographical boundaries.

New communication technologies give the potentiality to link methods of work and content. We can share local stories, analysis and research in real time. Researchers can receive local feedback and local organisations can build and modify knowledge. In fact information and communication technologies offer new opportunities for civil society, working outside political and economic institutions and some of the most successful actions now use such technologies creatively as part of their strategy. We could think of the Zapatista movement in Mexico and the campaign against the Multilateral Agreement on Investment as examples. However, it is important to overcome the obstacles in making such technology accessible to the potential users. New communication technologies can enhance our ecumenical work with partners across the world and it can also help us to communicate our alternatives to the public realm.

The consultation was searching for new forms of alliance building, transcending borders and sectoral concerns. It is necessary to link people, organisations, actions from diverse perspectives, supporting and contributing and being open to alternatives and initiatives from different perspectives. This is a contribution to building up global civil society, asking for accountability of the global financial and political systems. The concrete recommendations of the consultation all moved in this direction. - the linking of the micro and the macro.

We are living at a critical time when all universal ideologies and interpretations are discredited. There is a need for the pooling of analysis, the sharing of experience, for interaction and co-operation. The present turmoil of the dominant system and the self-questioning offers a moment for intervention, since the Washington consensus is clearly not providing valid answers. Social movements and faith communities can release new energies, even though there are tensions. The openness gives the chance to build new initiatives, to search for alternatives to the present dehumanising reality. There is a basis for developing new social contracts to address the major challenges of globalisation. In the process there is a chance for the renewal of the church and of the ecumenical movement, as we figure out new ways of being church amidst the realities of daily life and as we continue the kind of networking and exchanges begun in Malaga.

ENDNOTES

- ¹ See The Group of Lisbon, 'Limits to Competition', The MIT Press, London, 1995 p.21 and following for an analysis of these issues
- ² See Joseph Stiglitz, 'More Instruments & Broader Goals: Moving Towards the Post-Washington Consensus', WIDER Annual Lecture, Helsinki, 1998.
- ³ See Marcus Arruda, 'Globalisation and Civil Society', PACS, Rio de Janeiro, 1996
- ⁴ The images of the economy as a tunnel and a tree are taken from the address by Bob Goudzwaard at the Malaga consultation.
- ⁵ Alan Suggate, 'The Challenge of Malaga for Future WEN Programmes', 1998, unpublished paper produced as a reflection on the consultation.
- ⁶ Rob van Drimmelen, 'Faith in a Global Economy', WCC Risk Book Series, 1998, Chapter 2.
- ⁷ Jung Mo Sung, 'Hunger for God, Hunger for Bread, Hunger for Humanity' 1997, unpublished background paper for the consultation
- ⁸ The early trade union movement in Europe had some of these characteristics, forming a new way for working people to live together in the present as well as working for transformation. Good organising strategies in the present moment include the same approach, with a new emphasis on networking and new approaches to diversity and by implication wider ecumenism.
- ⁹ See John Cobb and Herman E. Daley, 'For the Common Good', Beacon Press, Boston, 1994. The basic argument is derived from the work of A.N. Whitehead. Many economic models totally ignore the actual context, the values of people, the power of institutions to shape behaviour and the need for ethical frameworks which support markets and which are actually eroded by markets. The focus is often exclusively on the image of the 'economically rational man' (sic).
- ¹⁰ Jung Mo Sung, op. cit., p. & 4.
- ¹¹ See Molefe Tsele, 'The Globalising Economy', unpublished background paper for the consultation, 1998, p.2
- ¹² The recommendations are available from the WCC Unit III as a separate publication. The address is inside the front cover.
- ¹³ This section is a summary of a paper provided by Martin Gueck and Carole Collins.
- ¹⁴ This section draws on ideas developed in the European Contact Group on Urban Industrial Mission theological reflection project.

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